*Previous references.*

Gen Fin 2 of 88

190

( Gen. Finance)

Gen Fin **File No.** 3 of 88

**Serial Nos.** 1–2

*Later references.*

ds 3+4

# GENERAL AND REVENUE SECRETARIAT.

*Serial Nos.* 1– 2

**Part B. for**

---

SUBJECT.

Application for a further loan of 1 lakh of Rupees, from the Maharaja of Mysore Spinning and Manufacturing Company (Ltd) for erecting 175 looms.

NO 753 d 8.3.89 from the Agent, Mb. Mb. Spinning & Manufacturing Co. Ltd. Requests for a further loan of Rs 100000 for erecting 175 looms

Camp NO. A d. 12.3.89 to the Agent Mb. Mb. Spinning and Manufacturing Co. (Ltd)
Informs that any further loan cannot be given

L. 61.

Camp Bag. No. 681

(General Serial No. 30.) 13-8-89

7599

1889.

(17)

From

James Scott Esq
Agent, Maharajah of
Mysore Spinning &
Manufacturing Company
Limited, Bangalore

Dated 5/
Despatched
Received 8 March 89

(22)

Enclosures No.

General No. 753
No.

Serial.

5339

Requesting a further loan of Rs 1,00,000 for erecting 175 looms in the mills of the Maharajah Spinning & Manufacturing Company at Bangalore

MAHARAJAH OF MYSORE'S PRINTING & PUBLISHING
8- MAR. 89
MANUFACTURING CO. LD. BANGALORE

2

2753

Bangalore.

910

Shushadri Iyer Esq. L.L.B.
Dewan to H.H. the Maharajah
of Mysore, Bangalore.

Dear Sir

Re. our conversation of yesterday
I enclose to the Maharajahs Mills, of 175
looms, with all preparatory & accessaries complete
to weave cloths, with suitable Buildings will cost
under our Law of Rupees specified. The Directors as
well as myself are all unanimous that it is absolute-
-ly necessary to put in the looms at once, as there is
a great demand for cloth, two times the amount
there is for Yarn, as cloth is required not only in
every town in Mysore, but in every town in India,
and the demand in this market is very great, the
present requirements of the cloths we are to weave
are supplied from Bombay, Madras & England,
very good prices obtainable. When the 175 looms
are at work, this will be a very remunerative Con-
-cern, I should say second to none in India, but
the looms are indispensable as at this present moment
we are at the mercy of the Yarn merchants, and
they don't forget to put on the screw. The 175 looms
can be started within 5 months from date. This

property work 16732 Wide spindles & 4732 Reed King
spindles, total spindles 75464 with 175 looms as a
going concern is good value for 8 lacs of Rupees
A going concern is always more value by 2 years
profits than a new concern which has to be run
as it takes 2 to 2½ years before a new concern
possibly declare any dividends. This is the way
which all new concerns are valued in Bombay
against a going concern declaring profits, I have
put these points as plain & as clear as I can for your
information. What we require now is one lac of
Rupees, to carry out this work & before I leave on
the 15th I should like to conclude the contract for
the Buildings & have them commenced & with
them order the looms at once, If you agree to give
the Company this lac, we will not trouble the Gov-
ernment further, and we will not issue any
debentures, the lac to be on the same lines as the
two lacs, a supplementary Mortgage to be drawn up
The Rs 30000/ you ha Kindly sent to the Company
now, can be made ti ayment, Rs 20000/ to be paid
again to pay for Buildings on 1st April, Rs 30000/ to be
paid 1st May to pay for the 175 looms on their arrival
in Madras. If you will kindly give this your early,
attention and a favorable reply & instruct the Controller
of the Import Government to have the supplementary
Deed drawn up I will feel obliged. I rest assured
the Government have a first class security and

if in Bombay we would have the difficulty and
obtaining 5 Lacs mortgage on ours Our General
Meeting is on the 15th and I hope to be able to announ
that I have arranged for the 175 Lacs

I have the honor to be
Sir
Your Obed Servant

Agents Pn. Pn. & Pn. to

Operations of trade & manufactures.

12/3/89

Drafted: Pusha
12/5/89

Reply that I have given the subject of this letter my best consideration, but am unable to give any further loan on this mill even on the basis of the proposed addn of 175 looms

The Security is ample as you observe for a total loan of 3 lacs but it is not considered expedient that the Govt shd enter further into transactions of this kind. The Original loan was given in order to help a new industry in the Province, and the Mill being placed on a Satisfactory working Condition, there would be no justification for any further interference by Govt with the ordinary

1/61

Jail (6)

Camp No: A

(18)

22

James Scott Esqre
Agent, Maharaja
of Mysore Spinning
& Manufacturing
Company, Limited
Bangalore

Serial 2

DF 534

D. Mysore, 12. March 89

I am directed to
acknowledge the receipt of
your letter No 753 of the
8th instant, asking for
a further loan of Rs 100,000
for erecting 175 looms
in the Mills of the Maharaja
Spinning & manufacturing
Company at Bangalore,
and in reply to state
that the Dewan has

his best consideration
to the Subject of your letter
but is unable to sanction
the further loan asked for
even on the basis of
the proposed addition

of 175 looms

2 As you observe, the security is ample for a total loan of three lakhs but it is not considered expedient that the Govt should enter further into transactions of this kind The original loan was given in order to help a new industry in the Province, and the Mill being now placed on a satisfactory working condition, there would be no justification for any further interference by Govt with the ordinary operations of trade and manufacture

I have &c

P. Hyyrudin Esq
Chief Secy